

Exhibit 2

to

Memorandum of Law in Support of Defendant's Motion
to Dismiss Complaint Filed by TreeHouse Foods, Inc.

STIFEL

Green Mountain Coffee Roasters Inc.
GMCR – NASDAQ
Sell
 Beverages

Company Update

Updated Thoughts on Keurig 2.0 and F1Q14

We believe Green Mountain remains focused on the introduction of Keurig 2.0, using it as an opportunity to convert unlicensed brands to licensed partners. Industry contacts tell us Green Mountain continues to aggressively court new business, including having CEO Brian Kelley attend meetings with potential customers.

We think retailer acceptance has thus far been muted, attributable to a significant installed base of Keurig 1.0 machines, an estimated 2-4 year conversion period to 2.0, underwhelming innovation on 2.0 (at least as publicly announced thus far), and a wait-and-see approach to brewer availability and consumer acceptance. We continue to think re-closing is not without significant transition risk and is primarily driven by share gains from unlicensed brands, especially in food, drug, mass (FDM) channels, since patent expiration.

In the near-term, updates on potential new partners and the conversion to 2.0 outweigh business fundamentals as key drivers of shareprice movement, in our view. We nonetheless lift F1Q14 (December) sales and EPS estimates to 9.4% y/y growth and \$0.96, respectively, reflecting higher brewer and K-Cup shipments and pass-through the upside to F2015, now estimating EPS of \$4.01.

In the note that follows, we update thoughts on Keurig 2.0, including takeaways from industry conversations, and discuss F1Q14 (December) expectations.

Changes	Previous	Current
Rating	—	Sell
Target Price	—	NA
FY14E EPS (Net)	\$3.66	\$3.78
FY15E EPS (Net)	\$3.94	\$4.01
FY14E Rev (Net)	\$4.67B	\$4.77B
FY15E Rev (Net)	\$4.87B	\$4.99B

Price (01/30/14):	\$79.15
52-Week Range:	\$90 – \$42
Market Cap.(mm):	12,132.2
Shr.O/S-Diluted (mm):	153.3
Enterprise Val. (mm):	\$12,122.5
Avg Daily Vol (3 Mo):	3,301,975
LT Debt/Total Cap.:	8.2%
Net Cash/Share:	\$1.70
Book Value/Share:	\$17.30
Dividend(\$ / %)	\$1.00 / 1.3%
S&P Index	1,794.19

EPS (Net)	2013A	2014E	2015E
Q1	\$0.76	\$0.96	\$NE
Q2	0.93	1.01	NE
Q3	0.82	0.89	NE
Q4	0.89	0.93	NE
FY Sep	\$3.39A	\$3.78	\$4.01
P/E	23.3x	20.9x	19.7x

Rev (Net)	2013A	2014E	2015E
FY Sep	\$4.36B	\$4.77B	\$4.99B
EV/Revenue	2.8x	2.5x	2.4x

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Conversion to Keurig 2.0 Could Take 2 - 4 Years. We estimate full conversion to 2.0 could take until FY18, with a significant percentage of 1.0 brewers remaining in market until FY16/FY17. Specifically, our base case, which assumes 50% of brewers sold in FY15 and 75% of brewers sold in FY16 are 2.0, suggests by end of FY16 60% of the brewer installed base are 2.0, with the remainder 1.0. We believe the relatively slow conversion in part explains why unlicensed brands have not materially reduced pricing. We also think it could explain why retailers have been non-committal in their commitment to 2.0. While we are unsure of an exact rollout strategy, the company on its November 2013 earnings call said it anticipates that within about a year of the launch, 2.0 will replace the current brewer lineup. We believe this suggests a phasing in of 2.0, including a period where both 1.0 and 2.0 will be available.

Keurig 2.0 Brewers as Percentage of Cumulative Installed Base, FY15E - FY18E

	FY15E	FY16E	FY17E	FY18E
50% of Brewers Sold in F2015, 75% in F2016 are Keurig 2.0				
Keurig 2.0 Percentage of Brewer Installed Base	28%	60%	84%	97%
50% of Brewers Sold in F2015, 100% in F2016 are Keurig 2.0				
Keurig 2.0 Percentage of Brewer Installed Base	28%	73%	94%	98%
100% of Brewers Sold in F2015 are Keurig 2.0				
Keurig 2.0 Percentage of Brewer Installed Base	55%	92%	97%	100%

Source: Stifel estimates.

The above analysis assumes:

- 2.0 launches at the beginning of FY15.
- 2.0 return rates are similar to current generation 1.0 brewers.
- 1.0 brewers are gradually phased out but still available until FY16.
- No supply disruptions related to the transition.
- Brewer shipments peak at 11m units shipped in FY14.
- Obsolescence rates of 0%, 35%, 90%, 95% in years 0 through 3 post initial brewer sale, consistent with rates we believe the company uses to estimate its installed base.

GMCR Aggressively Courting New Brands. Industry contacts tell us Green Mountain continues to aggressively court new business, both branded and private label, including having CEO Brian Kelley attend meetings with potential customers and asking those customers to sign confidentiality agreements. Broadly, we think Green Mountain is pushing retailers on the need to become a licensed partner before the system closes to prevent losing consumer relevance as well as participating in the total beverage system, which includes non-coffee products. We are unaware of any significant new deals that have been agreed upon, absent Target which Green Mountain has been widely understood to have won in FY13 from current producer Mother Parkers. We also believe it is reasonable to assume Costco will sell 2.0 given Green Mountain manufactures Kirkland Signature K-Cups.

FDM Unlikely to Cease Selling Unlicensed Brands. Unlicensed brands currently have an approximate 25% share in FDM channels making it more difficult for retailers to cease carrying certain brands upon the introduction of 2.0. This is especially notable as we estimate FDM accounts for at least 50% of system-wide K-Cup sales. We believe this in part explains Green Mountain's aggressiveness in courting unlicensed brands. Conversely, we also think it explains why FDM retailers have not quickly signed on with Green Mountain following the announcement it will re-close the system. Given our view of a long brewer conversion cycle, we believe FDM retailers could convert to Keurig brewer, if necessary, at a later date.

New Carafe Technology in 2.0. Innovation-wise, Green Mountain recently announced Keurig 2.0 will be able to brew a small pot of coffee. We believe the benefit of brewing up to a 30-ounce carafe (as was cited in a Bloomberg Business Week article on 2.0) is

modest at best relative to expectations for significant innovation. For example, a 30-ounce pot is smaller in size than two Starbucks grande coffees. Assuming a competitively priced product, which the company indicated 2.0 would be, we believe this feature is likely to increase usage occasions and modestly benefit the overall brewer installed base. It is also likely to reduce attachment rates as it effectively competes against the single-serve model.

More Unlicensed Pod Capacity Coming Online. We believe production capacity for unlicensed Keurig-compatible pods continues to increase despite Green Mountain's plan to re-close the Keurig system with 2.0. Based on discussions with unlicensed pod producers, we estimate current unlicensed pod capacity of approximately 1.5bn units could double over the next 12-months. Notably, we estimate current overall system-wide unlicensed share at approximately 15%, indicating nearly all unlicensed capacity is being utilized. We believe planned capacity increases indicate growth for unlicensed brands is expected to continue.

K-Cup Pricing Remains Pressured. K-Cup pricing in FDM channels remains pressured, declining approximately 4-5% y/y in the 13-weeks ended December 29, 2013, inline with levels over the prior 6-12 months. We believe pricing will remain pressured, driven increasingly by Green Mountain and its licensed partners responding to share loss, most notably in FDM channels. We think increased reliance on larger value packages in FDM and select specialty channels could be negatively impacting pricing, as well as conditioning the consumer to purchase at lower per unit price points. For example, at Bed Bath & Beyond 36-count packages are being sold for \$19.99, compared to \$11.99 for an 18-count package, a 16% difference on a per unit basis.

Notably, current price reductions are far from a nuclear option where unlicensed producers dramatically reduce pricing ahead of re-closing the system to gain market share and/or offset startup/capital costs that will be lost following the 2.0 launch. That said, given increasing capacity and lower coffee costs, we believe meaningful price reductions could occur commensurate with Green Mountain's success in converting unlicensed brands and/or gaining retailer buy-in for 2.0 brewers. Relatedly, we believe pod pricing by unlicensed brands can be materially reduced, greater than 10%, if need be while maintaining solid per unit profitability.

Competing Brewers. We continue to hear more unlicensed K-Cup brewers are coming to market, beyond current offerings from Hamilton-Beach and Bunn. We believe Keurig's dominant brewer market share makes it unlikely any new entrant could gain meaningful share, though this remains a watchpoint.

Thoughts on F1Q14

We lift F1Q14 (December) sales and EPS estimates to 9.4% y/y growth and \$0.96 reflecting higher brewer and K-Cup shipments.

K-Cups. FDM scanner data indicates K-Cup sales increased 16% y/y in F1Q14, modestly better than we estimated, though the 2-year CAGR continues to decelerate. We now anticipate 11% K-Cup sales growth in F1Q14. One wildcard is the growth rate in untracked channels, approximately 50% of system-wide K-Cup sales. Untracked channels (e.g., Bed Bath & Beyond, Costco, department stores, online, etc) have historically grown at a slower rate than tracked channels resulting from a continued shift in consumer purchase habits towards traditional grocery channels, where most at-home coffee purchases occur. Interestingly, in F4Q13 we estimate untracked channels grew ahead of tracked channels for the first time ever, a result we find surprising and could indicate Green Mountain shipped ahead of demand.

Implied Tracked and Untracked Channel K-Cup Y/Y Sales Growth, F4Q11 - F4Q13

	<u>F4Q11</u>	<u>F1Q12</u>	<u>F2Q12</u>	<u>F3Q12</u>	<u>F4Q12</u>	<u>F1Q13</u>	<u>F2Q13</u>	<u>F3Q13</u>	<u>F4Q13</u>
Reported growth	91.0%	115.0%	59.1%	31.4%	47.3%	20.7%	21.1%	17.8%	11.1%
IRI-tracked channels	170.5%	164.3%	139.5%	124.0%	110.7%	75.4%	43.5%	26.7%	11.0%
Untracked channels	58.8%	96.6%	1.9%	-57.3%	-30.5%	-31.9%	-2.1%	7.8%	11.2%

Note: Assumes IRI share of system-wide K-Cup sales increases from 29% in F4Q11 to 55% in F4Q13.

Source: IRI, Company reports, Stifel estimates.

Brewers. Our channel checks indicate brewer promotions increased y/y in F1Q14. We believe this likely aided brewer sales but also negatively impacted segment profitability. We also believe increased promotions could indicate a more gradual rollout of 2.0. Additionally, sales of Keurig Vue brewers could modestly offset increased promotions as margins are likely to benefit from lower cost of sales given the majority of a \$20mm write-down taken in F4Q13 was attributed to Vue.

Coffee Costs

Coffee prices, which have increased approximately 9% since the company reported F4Q13 results on November 20, 2013, will remain a tailwind through FY15, but the benefit will lessen in FY14 and FY15, compared to FY13. Specifically, we expect an EPS tailwind from coffee costs of \$0.27 and \$0.06 in FY14 and FY15, respectively, compared to a \$0.53 benefit in FY13. We believe this benefit is largely embedded in Green Mountain's FY14 guidance for 100bps of gross margin expansion, which offsets the coffee benefit with anticipated increases in promotional and marketing spend.

Estimated Coffee Cost Benefit, FY13E - FY15E

	<u>FY13E</u>	<u>FY14E</u>	<u>FY15E</u>
Coffee Cost Benefit	\$128,623	\$66,932	\$14,695
Gross Margin Benefit, bps	302	147	31
EPS Benefit	\$0.53	\$0.27	\$0.06

Source: Company reports, Stifel estimates.

Company Description

Green Mountain Coffee Roasters is a leading manufacturer of single-cup coffee systems through its Keurig brewer system and K-cup portion packs for the home and office. The company also develops, roasts, markets, and distributes specialty coffees. The company produces K-cups under its own brands including Green Mountain, Tully's, Timothy's, and Van Houtte, as well as through partnership agreements with JM Smucker and Starbucks, amongst others. The company is headquartered in Waterbury, Vermont.

Green Mountain Coffee Roasters

Income Statement

Fiscal year ended September
(\$ thousands except per share data)

	2004	2005	2006	2007	2008	2009	2010	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13	4Q13	2013	1Q14E	2Q14E	3Q14E	4Q14E	2014E	2015E
Net Sales	137,444	161,536	224,305	336,112	492,517	786,135	1,356,775	2,650,889	1,159,216	885,052	869,194	946,736	3,859,198	13,059	1,004,792	967,072	1,047,177	4,358,100	1,464,913	1,111,006	1,054,131	1,144,204	4,774,254	4,988,246
% Change	17.7%	17.5%	38.9%	49.8%	46.5%	59.6%	72.6%	95.4%	101.7%	36.7%	21.2%	33.0%	45.6%	13.5%	13.5%	11.3%	10.6%	12.9%	9.4%	10.6%	9.3%	9.5%	9.5%	4.5%
Cost of Sales	83,360	104,561	143,034	205,956	318,477	540,744	922,517	1,746,274	821,612	572,014	565,883	630,290	2,589,798	919,886	589,846	559,545	669,718	2,738,714	963,121	642,452	607,546	686,890	2,900,009	2,988,608
% Change	23.1%	25.4%	36.8%	44.0%	54.6%	69.3%	70.6%	78.9%	90.8%	41.3%	24.9%	37.7%	48.3%	129.0%	3.1%	-1.1%	6.3%	5.8%	4.7%	9.0%	8.6%	5.9%	5.9%	5.8%
Gross Profit	54,084	56,975	81,271	130,156	174,040	245,391	434,258	904,625	338,604	313,038	303,311	316,446	1,269,399	419,163	415,146	407,618	377,459	1,619,386	501,792	468,554	446,585	457,314	1,874,245	1,989,638
% Change	10.4%	5.3%	42.7%	42.6%	33.7%	41.5%	77.0%	108.3%	93.6%	28.8%	14.9%	24.5%	40.3%	42.0%	32.6%	34.4%	19.3%	27.6%	19.7%	12.9%	9.6%	21.2%	15.7%	6.2%
Selling & Operating Expenses	29,738	31,517	46,808	72,144	90,882	121,350	166,418	248,666	141,358	111,105	117,982	111,048	481,493	171,845	124,781	136,742	127,062	560,430	205,088	144,431	154,957	161,333	665,809	728,284
% Change	7.6%	6.0%	48.5%	54.1%	33.2%	33.2%	53.6%	87.1%	80.6%	39.3%	23.5%	16.7%	36.1%	21.6%	12.3%	15.9%	14.4%	16.4%	19.3%	15.7%	13.3%	27.0%	18.8%	9.4%
G&A Expenses	9,493	9,554	17,112	30,781	41,759	47,655	66,689	90,876	37,286	39,626	41,130	48,308	166,350	52,622	66,814	65,201	59,803	243,440	58,597	73,326	70,627	65,220	267,769	274,354
% Change	15.2%	0.6%	79.1%	35.7%	25.0%	14.1%	39.9%	90.8%	75.6%	34.2%	12.2%	21.4%	30.7%	41.1%	66.1%	58.5%	23.8%	46.3%	11.4%	11.4%	8.3%	9.1%	10.0%	2.5%
Operating Income	14,853	15,904	27,231	41,399	76,368	131,751	428,694	127,235	157,960	162,307	144,199	157,090	621,556	194,696	224,551	205,675	190,594	815,516	238,107	250,797	221,001	230,762	940,667	987,001
% Change	13.2%	7.1%	9.1%	56.9%	52.0%	84.5%	137.2%	136.7%	258.4%	21.5%	9.3%	31.9%	45.0%	23.3%	38.3%	42.6%	21.3%	31.2%	22.3%	11.7%	7.5%	21.1%	15.3%	4.9%
Other income	61	164	202	54	(235)	(662)	(269)	(8,024)	2,243	2,170	(1,807)	1,311	3,917	(1,387)	(2,417)	(5,735)	3,363	(6,177)	0	0	0	0	0	0
Interest expense	(282)	(498)	(2,261)	(6,176)	(5,705)	(4,693)	(40,557)	(40,557)	(6,463)	(6,042)	(6,157)	(4,321)	(22,983)	(5,730)	(3,814)	(3,937)	(4,696)	(18,177)	233,411	(4,696)	(4,696)	(18,784)	(18,784)	
Pretax Income	14,632	15,570	25,292	21,109	35,459	71,031	175,588	380,113	153,740	158,435	136,235	154,080	602,490	187,579	218,320	196,003	189,261	791,163	233,411	246,101	216,305	226,066	921,883	968,217
% Change	15.6%	6.4%	-1.8%	38.0%	68.0%	100.3%	147.2%	116.5%	361.1%	36.5%	15.0%	-0.7%	58.5%	22.0%	37.8%	43.9%	22.8%	31.3%	24.4%	12.7%	10.4%	19.4%	16.5%	5.0%
Income taxes	5,731	6,122	6,351	8,552	13,789	27,149	64,682	131,303	57,477	56,526	53,080	52,964	220,047	71,239	77,251	71,154	53,080	272,724	86,362	91,057	80,033	83,644	341,087	353,399
Minority interest								1,547	268	232	224	148	872	362	150	174	185	871	362	150	174	185	871	871
Net Income	7,825	8,956	7,978	12,557	21,670	43,882	110,906	247,263	95,995	101,677	82,331	100,968	381,571	115,978	140,919	124,675	135,986	517,568	146,687	154,894	136,098	142,236	579,915	613,947
% Change	24.9%	14.5%	-10.9%	57.4%	72.6%	102.5%	152.7%	122.9%	264.1%	43.3%	9.5%	36.1%	54.3%	20.8%	38.5%	50.3%	34.7%	35.6%	26.5%	9.9%	9.2%	4.6%	12.0%	5.9%
Shares outstanding	100,026	103,411	106,773	111,354	115,042	120,371	137,868	152,513	159,368	159,375	159,300	158,095	158,967	152,709	152,310	152,869	153,281	152,789	153,401	153,521	153,641	153,761	153,586	153,293
% Change	359.3%	3.4%	3.3%	4.3%	3.3%	4.6%	14.5%	10.6%	8.4%	8.0%	-0.7%	-0.7%	4.2%	-4.2%	-4.4%	-4.0%	-3.0%	-3.9%	0.5%	0.8%	0.5%	0.3%	0.5%	-0.2%
Adj. EPS - non-GAAP	\$0.08	\$0.09	\$0.07	\$0.11	\$0.19	\$0.36	\$0.80	\$1.62	\$0.60	\$0.64	\$0.52	\$0.64	\$2.40	\$0.76	\$0.93	\$0.82	\$0.89	\$3.39	\$0.96	\$1.01	\$0.89	\$0.93	\$3.78	\$4.01
% Change	-72.6%	10.7%	-13.7%	50.9%	67.0%	93.5%	120.7%	101.5%	235.9%	32.7%	5.4%	37.0%	48.1%	26.1%	45.0%	56.7%	38.9%	41.1%	25.9%	9.0%	8.6%	4.3%	11.5%	6.1%
Depreciation & Amortization	4,674	6,048	9,308	15,139	13,500	23,305	30,346	78,455	27,124	31,723	34,912	47,947	141,706	45,323	45,522	51,427	48,667	190,939	54,388	54,626	61,712	58,400	229,127	263,486
EBITDA	18,451	21,460	26,459	42,838	55,912	98,609	211,497	507,149	185,084	194,030	179,111	205,037	763,262	240,019	270,073	287,102	239,261	1,006,455	292,495	305,424	282,713	289,162	1,169,794	1,250,497
% Change	9.6%	16.3%	23.3%	61.9%	30.5%	76.1%	114.5%	139.8%	227.7%	25.4%	17.0%	43.6%	50.5%	29.7%	39.2%	43.5%	16.7%	31.9%	21.9%	13.1%	10.0%	20.9%	16.2%	6.9%
Capital Expenditures	18,500	9,442	13,613	21,844	48,718	45,298	118,042	283,444	101,848	102,708	100,976	95,589	401,121	83,458	64,891	42,039	42,392	232,780	105,000	105,000	105,000	420,000	374,118	
% of sales	13%	6%	6%	6%	10%	6%	9%	11%	9%	12%	12%	10%	10%	6%	6%	4%	4%	5%	7%	9%	10%	9%	9%	8%
Gross Margin	39.3%	35.3%	36.2%	38.7%	35.3%	31.2%	32.0%	34.1%	29.1%	35.4%	34.9%	33.4%	32.9%	31.3%	41.3%	42.1%	36.0%	37.2%	34.3%	42.2%	42.4%	40.0%	39.3%	39.9%
SG&A/Sales	21.6%	19.5%	20.9%	21.5%	18.5%	13.4%	13.7%	13.2%	12.2%	12.6%	13.6%	11.7%	12.5%	12.8%	12.4%	14.1%	12.1%	12.8%	14.0%	13.0%	14.7%	14.0%	13.6%	14.6%
G&A Margin	6.9%	5.9%	7.1%	9.2%	8.5%	6.1%	4.9%	4.8%	3.2%	4.5%	4.7%	5.1%	4.3%	3.9%	6.6%	6.7%	5.7%	5.6%	4.0%	6.6%	6.7%	10.1%	9.6%	
Operating Margin	10.5%	9.9%	11.8%	12.7%	11.4%	12.5%	13.4%	16.2%	13.6%	18.3%	16.6%	16.6%	16.1%	14.5%	22.3%	21.3%	18.2%	18.7%	16.3%	22.8%	21.0%	20.2%	24.5%	25.1%
Pretax Margin	13.4%	13.3%	11.8%	12.7%	11.4%	12.5%	15.6%	19.1%	16.0%	21.9%	20.6%	21.7%	19.8%	17.9%	26.9%	26.6%	22.8%	23.1%	16.0%	20.3%	20.5%	20.3%	24.5%	25.1%
EBITDA Margin	10.6%	9.6%	6.8%	6.3%	7.2%	12.5%	15.9%	19.3%	13.3%	17.9%	15.7%	16.3%	15.6%	14.0%	21.7%	20.3%	18.1%	18.2%	15.9%	22.2%	20.5%	19.3%	19.3%	19.4%
Net Margin	39.2%	39.3%	41.5%	40.5%	38.9%	38.2%	36.8%	34.5%	37.4%	35.7%	39.0%	34.4%	36.5%	38.0%	35.4%	36.3%	28.0%	34.5%	37.0%	37.0%	37.0%	37.0%	37.0%	36.5%
Tax Rate	5.7%	5.5%	3.6%	3.7%	4.4%	5.6%	8.2%	9.3%	8.3%	11.5%	9.5%	10.7%	9.9%	8.7%	14.0%	12.9%	13.0%	11.9%	10.0%	13.9%	12.9%	12.4%	12.1%	12.3%

Note: EBITDA calculations control for amortization of intangibles excluded from SG&A.

Source: Company Reports, Sifer Estimates.

Green Mountain Coffee Roasters

Keurig Segment

Fiscal year ended September
(\$ thousands except per share data)

	2006	2007	2008	2009	2010	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13	4Q13	2013	1Q14E	2Q14E	3Q14E	4Q14E	2014E	2015E
BREWERS																						
Keurig Brewers Shipped	224	420	882	2,251	4,115	5,691	3,901	1,372	1,355	1,811	8,441	4,526	1,200	1,340	2,370	9,436	5,205	1,440	1,407	2,489	10,540	10,277
At-Home Brewers	19	59	100	98	127	143	53	32	41	64	189	56	30	41	100	227	62	35	45	108	249	267
Away-from-Home Brewers	243	479	982	2,349	4,242	5,834	3,955	1,404	1,396	1,875	8,630	4,582	1,230	1,381	2,470	9,663	5,266	1,475	1,452	2,596	10,789	10,544
Total Keurig Brewers Shipped	71%	97%	105%	139%	81%	38%	80%	18%	27%	39%	48%	16%	-12%	-1%	32%	12%	15%	20%	8%	12%	2%	-2%
% Change				121%	108%	58%	66%	39%	28%	25%	43%	44%	2%	12%	36%	29%	15%	12%	18%	18%	12%	4%
2-Year CAGR				65	85	602	240	100	100	200	640	350	132	118	170	770	350	132	118	170	770	731
Partner Brewers Shipped																						
Cumulative Brewers Shipped to Date																						
At-Home Brewers	14,397	18,538	20,011	21,466	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478	23,478
Away-from-Home Brewers	507	703	735	775	775	775	775	775	775	775	775	775	775	775	775	775	775	775	775	775	775	775
Total	473	952	1,935	4,284	8,611	15,047	19,241	20,745	22,241	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317	24,317
Obsolescence Rate																						
At-Home Brewers	19%	25%	25%	19%	19%	25%	25%	25%	25%	25%	25%	29%	29%	29%	29%	29%	33%	33%	33%	33%	33%	36%
Away-from-Home Brewers	45%	50%	50%	45%	45%	50%	50%	50%	50%	50%	50%	60%	60%	60%	60%	60%	65%	65%	65%	65%	65%	72%
Overall Obsolescence Rate	22%	26%	26%	22%	22%	26%	26%	26%	26%	26%	26%	31%	31%	31%	31%	31%	35%	35%	35%	35%	35%	38%
Average Brewers In Use																						
At-Home Brewers	11,849	13,429	14,764	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186	16,186
Away-from-Home Brewers	329	348	368	384	384	384	384	384	384	384	384	384	384	384	384	384	384	384	384	384	384	384
Average Units in Use	291	565	1,103	2,344	4,839	8,595	12,178	13,777	15,132	16,580	14,417	18,534	19,990	21,244	22,793	20,640	24,738	26,243	27,515	29,060	28,689	32,359
% Change	26.5%	94%	96%	113%	106%	76%	72%	70%	67%	64%	68%	52%	45%	40%	37%	43%	33%	37%	30%	27%	30%	20%
REVENUE DRIVERS																						
Brewer Accessories Revenue																						
2-Year CAGR																						
Revenue per Brewer	\$83.3	\$91.2	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9	\$99.9
% change																						
K-Cup Revenue, excl Royalty																						
2-Year CAGR																						
K-Cups Shipped, GMCR	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300	25,300
% change																						
Revenue per K-Cup, GMCR	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264	\$0.264
% change																						
Revenue per K-Cup, excl Royalty	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326	\$0.326
K-Cups Shipped, Royalty	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
K-Cups Shipped, System-wide	1,648,278	2,590,019	4,739,587	8,595,119	16,508,824	19,163,315	7,086,116	2,345,159	2,226,718	2,123,914	2,457,180	2,307,637	2,138,206	1,990,014	2,217,613	8,653,470	2,679,976	2,478,614	2,308,520	2,587,713	10,054,822	11,010,126
2-Year CAGR																						
Non-GMCR K-Cups Shipped																						
K-Cup Attachment Rate per Brewer	4.26	3.14	2.55	1.96	1.66	1.53	1.67	1.37	1.21	1.28	1.37	1.41	1.24	1.11	1.20	1.23	1.38	1.22	1.11	1.20	1.22	1.20
% Change		-26%	-19%	-23%	-15%	-8%	5%	-13%	-23%	-7%	-11%	-16%	-9%	-6%	-7%	-10%	-2%	-1%	0%	0%	-1%	-2%
Legacy Business/Van Houtte Revenue																						
2-Year CAGR																						
Legacy Business/Van Houtte Revenue	166,828	334,623	586,707	1,153,684	2,315,500	2,315,500	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828
% change																						
New Systems - Cold, Water, etc																						
2-Year CAGR																						
Total Revenue	446,527	633,059	1,012,354	1,646,978	2,890,619	2,890,619	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978
% change																						
2-Year CAGR																						
Total K-Cups Shipped (GMCR)	253,150	359,083	578,933	956,503	2,391,130	2,391,130	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828

K-Cups

Total K-Cup Shipped per Brewer	166,828	334,623	586,707	1,153,684	2,315,500	2,315,500	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828
At-Home Brewers	259,699	415,647	487,698	975,119	1,950,238	1,950,238	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828	1,468,828
Away-from-Home Brewers	446,527	633,059	1,012,354	1,646,978	2,890,619	2,890,619	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978	1,646,978
% change																						
2-Year CAGR																						
Total K-Cups Shipped (GMCR)	253,150	359,083	578,933	956,503	2,391,130	2,391,130	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828	1,668,828

*Note: Prior to its acquisition in June 2006, Keurig was a private company.

Note: Company did not disclose full quarterly restatements and thus quarters may not sum to annual amounts.

Source: Company Reports, Sift Estimates.

Green Mountain Coffee Roasters

K-Cup Pricing

Fiscal Year ended September

	2010	1Q11	2Q11	3Q11	4Q11	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13	4Q13	2013	1Q14E	2Q14E	3Q14E	4Q14E	2014E	F2015E
GMCR Rev/K-Cup Wholesale, GMCR Brands	\$0.327	\$0.343	\$0.360	\$0.360	\$0.360	\$0.362	\$0.405	\$0.405	\$0.405	\$0.380	\$0.399	\$0.391	\$0.391	\$0.405	\$0.373	\$0.390	\$0.387	\$0.389	\$0.397	\$0.360	\$0.383	\$0.374
y/y % change						11%	18%	12%	12%	-1%	10%	-3%	-3%	0%	-2%	-2%	-1%	-1%	-2%	-4%	-2%	-3%

Partner Agreement per unit Economics

	SBUX	SJM	DNKN	Private Label	Other
Coffee & Roasting Costs	\$0.150	\$0.100	\$0.175	\$0.075	\$0.163
Packaging Costs	\$0.120	\$0.100	\$0.100	\$0.075	\$0.100
G&A Costs	\$0.023	\$0.023	\$0.023	\$0.023	\$0.023
Total Costs	\$0.293	\$0.223	\$0.298	\$0.173	\$0.286
Margin to GMCR	20.0%	20.0%	20.0%	20.0%	20.0%
GMCR Selling Price	\$0.366	\$0.279	\$0.373	\$0.216	\$0.357
GMCR Op Profit/Partner K-Cup	\$0.073	\$0.056	\$0.075	\$0.043	\$0.071
K-Cup Operating Margin	20.0%	20.0%	20.0%	20.0%	20.0%

Partner Brands Share

	2010	1Q11	2Q11	3Q11	4Q11	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13	4Q13	2013	1Q14E	2Q14E	3Q14E	4Q14E	2014E	F2015E
SBUX							5%	8%	8%	8%	7%	9%	11%	13%	15%	12%	15%	15%	15%	15%	15%	15%
SJM		2%	4%	5%	5%	4%	7%	7%	7%	7%	7%	7%	7%	7%	6%	6%	6%	6%	6%	6%	6%	6%
DNKN						0%	1%	3%	3%	3%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%
Other (Eight O'Clock/Caribou)		1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%	2%	3%	3%	2%	4%	4%	3%	3%	3%	3%
Total		3%	5%	6%	6%	5%	13%	18%	18%	18%	17%	20%	22%	24%	26%	23%	27%	27%	26%	26%	26%	26%
Other Branded Share												1%	3%	5%	6%	4%	8%	9%	10%	11%	10%	13%
Private Label Share							1%	1%	1%	1%	1%	0%	1%	2%	2%	1%	6%	7%	8%	9%	8%	11%
GMCR-manufactured PL														1%	1%	1%	2%	2%	2%	2%	2%	3%
GMCR Share, excl. GMCR-manuf. PL	100%	97%	95%	94%	94%	95%	87%	81%	81%	81%	83%	78%	74%	69%	63%	71%	60%	58%	56%	54%	57%	50%

Source: Company Reports, Sifel Estimates, Symphony IRI.

Green Mountain Coffee Roasters

Balance Sheet

Fiscal Year ended September
(\$ thousands except per share data)

Assets	4Q04	4Q05	4Q06	4Q07	4Q08	4Q09	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
Current																			
Cash & equivalents, including restricted cash	4,514	6,450	1,274	3,172	965	292,091	4,756	62,924	64,502	106,789	40,512	93,198	155,205	149,084	71,173	98,530	221,723	352,918	260,652
Accounts receivable	13,776	16,548	30,071	39,373	54,792	91,650	172,200	238,068	236,773	229,420	310,321	412,464	300,713	265,982	363,771	432,692	312,880	333,693	467,076
Inventory	9,580	14,072	31,706	38,909	85,311	132,182	263,478	269,132	269,132	300,760	417,466	672,248	606,670	602,123	768,437	587,321	587,281	586,263	676,069
Other current assets	616	1,274	2,816	2,611	4,886	11,384	23,486	50,060	50,536	53,971	55,957	33,848	2,576	22,812	35,019	44,594	42,072	70,400	40,991
Deferred income taxes	983	1,346	1,384	3,658	6,146	10,351	26,997	23,721	23,721	17,758	13,258	33,848	2,576	22,812	35,019	44,594	42,072	70,400	40,991
Total Current Assets	29,669	39,690	67,359	87,923	152,090	537,367	495,269	644,800	638,511	874,998	1,131,527	1,163,509	1,162,722	1,159,717	1,225,866	1,226,410	1,221,556	1,396,969	1,551,092
Fixed assets	36,502	38,507	45,811	53,692	97,679	135,981	255,923	399,608	439,585	490,076	579,219	674,303	783,203	846,333	969,297	969,297	977,236	983,536	985,593
Intangibles	1,446	1,446	39,019	34,206	29,386	36,478	22,006	573,935	568,916	555,416	579,464	570,820	576,691	496,793	498,352	461,800	462,241	439,035	538,216
Goodwill	10,804	9,785	73,305	73,640	73,953	99,600	386,416	769,401	806,681	806,613	769,365	792,700	801,690	791,197	808,076	802,337	793,405	779,639	786,104
Investments in associates	111	739	2,912	2,964	4,531	3,979	9,961	181,509	176,358	188,319	168,342	46,464	45,011	43,646	42,109	39,396	35,710	34,494	31,093
Other long-term assets	78,332	91,147	234,006	264,527	357,648	813,405	1,370,574	2,539,253	2,669,760	2,874,422	3,197,887	3,216,257	3,309,207	3,337,130	3,615,789	3,519,040	3,490,210	3,623,383	3,761,548
Total Assets																			
Liabilities																			
Current																			
Current portion of long-term debt	3,259	3,530	97	63	33	5,030	19,009	8,476	11,328	5,238	6,684	8,343	9,742	9,271	6,691	8,247	9,796	9,789	12,929
Accounts payable	8,382	11,228	23,124	37,778	43,821	79,772	139,220	148,034	154,697	209,572	265,511	247,505	246,989	215,153	230,577	314,671	219,946	227,086	1,760
Accrued compensation costs	2,737	1,829	6,736	7,027	11,660	17,564	24,226	24,607	31,899	40,095	43,280	29,744	36,798	37,919	38,458	38,893	38,836	73,450	312,170
Accrued expenses	3,028	5,054	7,978	9,866	14,846	19,895	49,279	75,760	73,837	76,895	92,200	133,710	120,436	109,085	132,992	161,414	161,893	145,999	242,427
Income taxes payable	23	717	-	1,443	2,079	1,225	1,354	2,920	3,898	4,889	9,120	3,091	48,012	77,626	22,322	24,438	12,372	2,368	242,427
Deferred income taxes, net	317	60	874	871	673	3,257	4,377	26,097	36,876	4,889	24,917	3,091	48,012	77,626	22,322	24,438	12,372	2,368	242,427
Other current liabilities	17,146	22,518	35,809	57,048	72,920	126,443	235,055	297,067	330,511	395,706	471,374	491,692	499,066	471,875	519,987	534,865	459,100	472,924	597,063
Total Current Liabilities	14,039	52,161	102,871	90,050	123,517	73,013	335,504	1,076,541	1,046,399	416,076	575,969	471,344	431,471	399,841	468,994	346,385	272,885	226,286	160,221
Long-term debt	2,132	3,019	17,386	18,330	21,691	26,599	92,579	167,632	195,952	195,879	189,637	196,049	211,013	212,101	270,348	271,775	266,382	271,765	252,887
Capital lease obligations																			
Deferred income taxes																			
Other long-term liabilities																			
Total Liabilities	16,171	8,237	120,257	108,380	145,208	99,612	433,274	1,278,819	1,273,380	641,323	793,264	685,475	660,713	640,545	824,670	701,633	632,752	599,720	517,870
Shareholders' Equity																			
Common stock	826	864	879	2,470	2,549	13,081	13,282	14,157	14,200	15,304	15,447	15,477	15,521	15,553	15,268	14,867	14,882	15,053	15,026
Additional paid-in capital	22,884	29,651	36,070	45,704	63,607	441,875	473,749	725,984	737,616	1,456,682	1,499,616	1,507,912	1,522,283	1,534,166	1,464,560	1,376,699	1,373,366	1,430,104	1,387,322
Retained earnings	28,739	37,695	46,138	58,981	81,280	134,338	213,844	216,073	280,934	337,000	411,727	516,247	609,307	678,891	771,200	878,703	1,009,985	1,126,164	1,252,407
Accumulated other comprehensive income	(698)	(482)	(811)	(720)	(580)	(1,944)	(1,630)	1,901	12,899	7,680	(14,575)	(9,454)	1,065	(13,728)	10,200	2,368	(9,779)	(30,720)	(19,185)
Treasury & ESOP stock	(7,336)	(7,336)	(7,336)	(7,336)	(7,336)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling interests																			
Total Shareholders' Equity	44,415	60,392	74,940	99,099	139,520	587,350	699,245	963,367	1,065,869	1,837,393	1,933,249	2,041,090	2,159,428	2,224,710	2,271,132	2,282,492	2,399,148	2,550,839	2,646,615
Total Liabilities & Shareholder's Equity	78,332	91,147	234,006	264,527	357,648	813,405	1,370,574	2,539,253	2,669,760	2,874,422	3,197,887	3,216,257	3,309,207	3,337,130	3,615,789	3,519,040	3,490,210	3,623,383	3,761,548

Note: Company did not disclose full quarterly restatements and thus quarters may not sum to annual amounts.
Source: Company Reports, SIIrel Estimates.

Green Mountain Coffee Roasters

Cash Flow Statement

(In thousands of dollars)

(In thousands except per share data)

	2004	2005	2006	2007	2008	2009	2010	2011	1Q12	2Q12	3Q12	4Q12	2012	1Q13	2Q13	3Q13	4Q13	2013	2014E	2015E
Operating Activities																				
Net income	7,825	8,956	8,443	12,843	21,669	54,439	79,506	201,048	104,682	93,263	73,520	92,035	363,500	107,945	132,571	116,446	127,141	484,103	579,915	613,947
Depreciation	4,674	6,048	9,308	15,139	13,500	17,987	29,484	72,297	25,611	30,211	33,399	46,435	136,666	43,810	44,010	49,914	46,080	183,814	229,127	263,496
Amortization of intangibles					4,812	5,318	14,973	41,339	11,453	11,568	11,475	11,495	45,991	11,535	11,404	11,295	11,145	45,379	45,343	45,344
Provision for doubtful accounts						541	862	6,158	1,513	1,512	1,513	1,512	6,050	1,513	1,512	1,513	2,587	7,125		
Provision for sales returns	253	315	374	620	1,159	243	610	2,584	1,422	234	428	1,113	3,197	688	683	83	621	7,125		
Loss on financial instruments, net					6	15,943	40,139	64,457	54,630	12,772	15,768	24,266	107,436	44,809	14,003	387	20,538	79,747		
Change in accumulated other income	73	(163)	842	(3)	6	264	-	3,292	1,383	2,197	(3,468)	6,198	6,310	(755)	(3,092)	(4,025)	3,365	(4,507)		
Deferred compensation and stock compensation	(61)	58	(476)	36	-	6,819	8,110	10,575	3,606	5,730	4,475	4,268	18,079	6,165	9,049	6,179	4,922	26,315	26,315	26,315
Excess tax benefits from equity-based compensation					(6,168)	(10,761)	(14,590)	(67,813)	(3,908)	(7,284)	(1,277)	379	(12,070)	(2,974)	(6,588)	(38,282)	(6,854)	(64,699)	(64,699)	(64,699)
Deferred income taxes	788	157	(49)	138	549	1,683	(6,331)	(8,828)	5,636	2,689	4,873	47,658	60,856	2,934	(33)	5,893	(26,495)	(17,701)	(17,701)	(17,701)
Other current and long-term assets	2,224	3,236	2,157	379	(46)	1,277	1,236	15,515	(30,732)	(1,459)	4,849	(6,284)	(33,626)	3,019	8,780	9,780	(6,740)	9,918	9,918	9,918
Other current liabilities	15,822	18,763	22,445	33,755	50,187	93,753	153,211	304,024	175,296	151,453	145,555	229,075	701,379	218,668	207,002	158,203	176,310	760,183	872,917	941,319
Total	(1,321)	(3,087)	(7,906)	(9,922)	(24,819)	(52,963)	(102,297)	(157,328)	(155,553)	100,007	17,851	(121,422)	(159,317)	(115,282)	105,455	(22,905)	(154,488)	(187,221)		
Net change in working capital																				
Accounts receivable	(2,115)	(4,492)	(6,826)	(9,922)	(24,819)	(52,963)	(102,297)	(157,328)	(155,553)	100,007	17,851	(121,422)	(159,317)	(115,282)	105,455	(22,905)	(154,488)	(187,221)		
Inventory	239	694	(1,335)	2,061	8,422	(47,500)	(116,653)	(375,709)	97,048	5,623	(66,207)	(99,326)	(92,862)	(19,767)	(2,102)	(2,133)	(87,855)	87,877		
Income tax receivable/payable, net	299	694	(1,335)	2,061	8,422	(47,500)	(116,653)	(375,709)	97,048	5,623	(66,207)	(99,326)	(92,862)	(19,767)	(2,102)	(2,133)	(87,855)	87,877		
Other current and long-term assets	1,268	2,157	1,480	379	(46)	1,277	1,236	15,515	(30,732)	(1,459)	4,849	(6,284)	(33,626)	3,019	8,780	9,780	(6,740)	9,918		
Accrued payable, accrued expenses, and other	681	(808)	8,969	8,969	8,969	25,839	41,007	105,292	(5,525)	(12,880)	(20,708)	4,162	(17,688)	53,389	(49,668)	35,361	94,450	133,532		
Accrued compensation costs	1,205	2,026	1,035	2,991	4,090	6,147	(1,830)	2,233	(13,265)	6,893	1,378	116	(4,908)	53,389	(49,668)	35,361	94,450	133,532		
Accrued expenses																				
Other current and long-term liabilities																				
Working Capital - Total	133	(3,909)	(9,602)	(3,921)	(48,241)	(55,136)	(155,508)	(339,639)	(43,200)	86,607	(27,529)	(239,472)	(223,594)	118,474	60,541	9,347	(112,576)	75,786	(100,000)	(75,000)
Net cash provided by operating activities	15,955	14,874	12,843	29,834	1,946	38,617	(2,297)	785	132,096	238,060	118,026	(10,397)	477,785	337,142	267,543	167,550	63,734	835,969	772,917	866,319
Investing Activities																				
Purchase of capital assets	(16,500)	(9,442)	(13,613)	(21,844)	(48,718)	(48,298)	(126,205)	(283,444)	(101,848)	(102,708)	(100,976)	(95,589)	(401,121)	(83,458)	(64,891)	(42,039)	(42,392)	(232,780)	(420,000)	(200,000)
Other investing activities	488	713	(100,559)	187	407	(91,199)	(407,230)	(904,226)	146,118	(7,276)	(990)	(2,376)	135,476	3,661	(417)	109	3,860	7,213	(100,000)	(153,293)
Net cash used in investing activities	(16,012)	(8,729)	(114,172)	(21,657)	(48,311)	(139,497)	(533,435)	(1,187,672)	44,270	(109,984)	(101,966)	(97,965)	(265,645)	(79,797)	(65,308)	(41,930)	(38,532)	(225,567)	(420,000)	(153,293)
Financing Activities																				
Proceeds from issuance of common stock, net	930	4,341	2,189	3,123	5,653	378,046	8,788	955,787	811	1,417	6,164	3,700	12,092	1,127	8,207	12,430	8,013	29,777	(100,000)	(200,000)
Repurchase of common stock																				
Dividend																				
Windfall tax benefit																				
Increase/decrease in long-term debt, net			1,189	3,307	6,168	10,761	14,590	67,813	3,908	7,264	1,277	(379)	12,070	2,975	6,588	38,282	6,854	54,699	(100,000)	(200,000)
Net change in revolving line of credit																				
Deferred financing fees			92,789	(12,855)	32,530	49,783	131,500	(110,510)	(1,616)	(2,936)	(1,679)	(1,583)	(7,814)	(1,584)	(1,807)	(3,249)	(64,980)	(71,620)	(153,293)	(153,293)
Capital lease obligations																				
Other financing activities																				
Net cash used in financing activities	6,069	(4,209)	96,167	(6,425)	44,351	342,006	298,322	1,199,645	(110,642)	(66,621)	(21,573)	25,172	(173,124)	(217,011)	(80,209)	4,696	(118,802)	(41,326)	(100,000)	(153,293)
Change in cash balances in assets held for sale																				
Effect of exchange rate changes																				
Net Increase (Decrease) in Cash	4,012	1,936	(5,162)	1,752	(2,014)	241,126	(237,410)	8,588	71,122	61,892	(7,015)	(80,699)	45,300	40,236	122,845	131,035	(92,113)	201,803	(100,000)	(200,000)
Free Cash Flow*	(2,545)	5,432	(770)	7,990	(46,772)	(9,681)	(128,502)	(282,659)	30,248	135,352	17,050	(105,986)	76,684	253,684	202,652	125,511	21,342	603,189	352,917	492,200
% Change	(157.0%)	(313.4%)	(114.2%)	N/A	(685.4%)	(79.3%)	1,227.4%	N/A	30.2%	145.1%	(4.0%)	(80.7%)	100.0%	100.0%	100.0%	100.0%	100.0%	666.8%	(41.5%)	(39.5%)

* Cash flow from operating activities net of capital expenditures.

Note: Company did not disclose full quarterly restatements and thus quarters may not sum to annual amounts.

Source: Company Reports, S&P Estimates.

Green Mountain Coffee Roasters

Return on Invested Capital

Fiscal year ended September

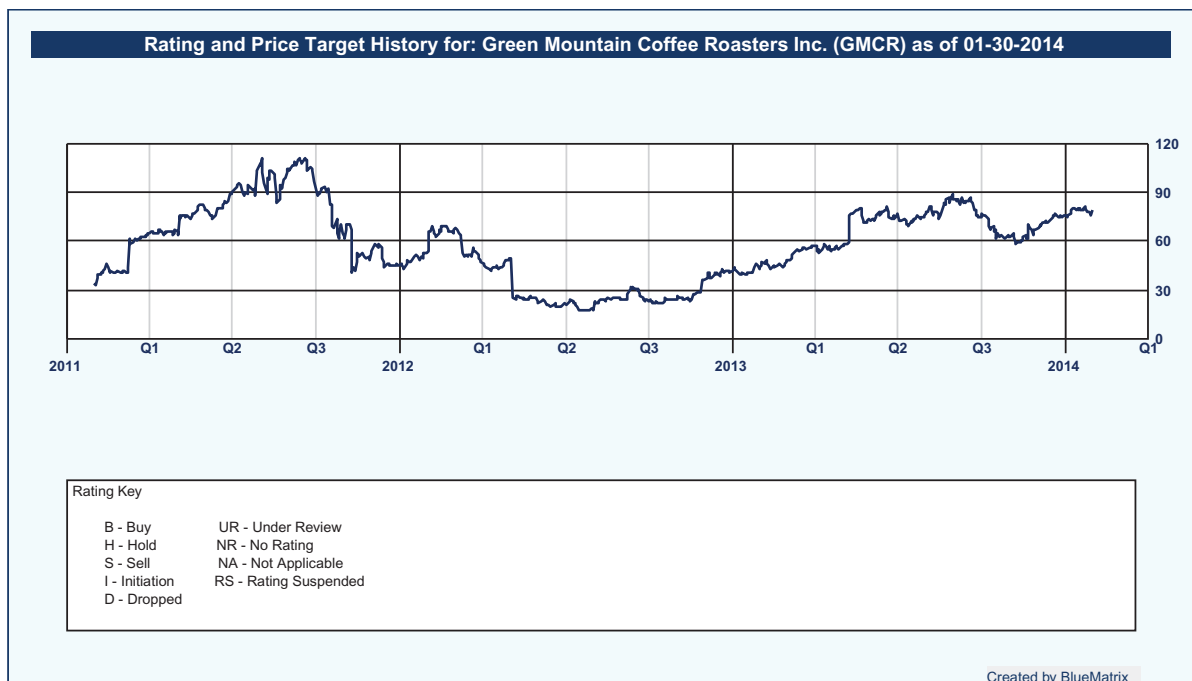
(\$ thousands except per share data)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013E	2014E	2015E
Return on Invested Capital	16.5%	17.1%	15.8%	8.8%	11.4%	13.1%	16.2%	16.6%	16.9%	18.6%	19.8%	21.6%	21.5%
Reported Net Income	6,266.0	7,825.0	8,956.0	7,978.0	12,557.0	21,669.8	43,882.0	110,906.0	247,263.2	381,571.0	517,567.9	579,915.3	613,946.8
+ After-tax Interest Expense	315.3	171.5	302.2	1,322.0	3,673.9	3,486.5	2,899.3	3,343.8	26,547.4	14,588.9	11,911.2	11,833.9	11,927.8
Tax Rate	41.5%	39.2%	39.3%	41.5%	40.5%	38.9%	38.2%	36.8%	34.5%	36.5%	34.5%	37.0%	36.5%
+ Amortization	200.0	200.0	200.0	1,402.0	4,811.0	4,812.0	5,318.0	14,973.0	41,339.0	45,991.0	48,290.6	50,705.1	53,240.3
+ Increase in Defd. Taxes	803.0	788.0	157.0	(49.0)	138.0	549.0	1,683.0	(6,931.0)	(8,828.0)	60,856.0	(17,701.0)	(17,701.0)	(17,701.0)
Net Op. Profit After-tax	7,584.3	8,984.5	9,615.2	10,653.0	21,179.9	30,517.3	53,782.3	122,291.8	306,321.6	503,006.9	560,068.6	624,753.3	661,414.0
Common Equity	35,148.0	44,415.0	60,392.0	74,940.0	99,099.0	139,520.0	587,350.0	699,245.0	1,933,249.0	2,271,132.0	2,646,615.0	3,226,530.3	3,840,477.1
+ Net Debt	11,529.0	12,784.0	2,298.0	101,694.0	86,941.0	122,585.0	(214,048.0)	349,757.0	542,126.0	460,353.0	(9,681.0)	(453,348.1)	(945,548.3)
+ Accum. Amortization	500.0	700.0	900.0	2,302.0	7,113.0	11,925.0	17,243.0	32,216.0	73,555.0	119,546.0	167,836.6	218,541.6	271,782.0
Total Capital Employed	47,177.0	57,899.0	63,590.0	178,936.0	193,153.0	274,030.0	390,545.0	1,081,218.0	2,548,930.0	2,851,031.0	2,804,770.6	2,991,723.8	3,166,710.8

Source: Company Reports. Stifel Estimates.

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